

Company Registration No. 02568740 (England and Wales)

ENVIRONMENTAL EQUIPMENT CORPORATION LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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ENVIRONMENTAL EQUIPMENT CORPORATION LIMITED

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ENVIRONMENTAL EQUIPMENT CORPORATION LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		149,345		176,267
Current assets					
Debtors	4	553,308		498,899	
Cash at bank and in hand		138,856		130,330	
		<u>692,164</u>		<u>629,229</u>	
Creditors: amounts falling due within one year	5	<u>(620,596)</u>		<u>(671,670)</u>	
Net current assets/(liabilities)			71,568		(42,441)
Total assets less current liabilities			<u>220,913</u>		<u>133,826</u>
Creditors: amounts falling due after more than one year	6		(5,881)		(23,037)
Provisions for liabilities			<u>(3,792)</u>		<u>(7,218)</u>
Net assets			<u>211,240</u>		<u>103,571</u>
Capital and reserves					
Called up share capital			1,360		1,360
Share premium account			99,864		99,864
Capital redemption reserve			376		376
Profit and loss reserves			<u>109,640</u>		<u>1,971</u>
Total equity			<u>211,240</u>		<u>103,571</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

ENVIRONMENTAL EQUIPMENT CORPORATION LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

The financial statements were approved by the board of directors and authorised for issue on 27 November 2019 and are signed on its behalf by:

A E Gentle
Director

Company Registration No. 02568740

ENVIRONMENTAL EQUIPMENT CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Environmental Equipment Corporation Limited is a private company limited by shares incorporated in England and Wales. The registered office is Richmond House, Churchfield Road, Walton-On-Thames, Surrey, England, KT12 2TP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax, adjusted for accrued revenue calculated by reference to the fair value of services performed up to the balance sheet date, but not invoiced.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	15% on cost
Fixtures and fittings	15% on cost
Computer equipment	25% on cost
Motor vehicles	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ENVIRONMENTAL EQUIPMENT CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ENVIRONMENTAL EQUIPMENT CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the was 15 (2018 - 14)

ENVIRONMENTAL EQUIPMENT CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2018	430,452
Additions	20,120
Disposals	(10,149)
	<hr/>
At 31 March 2019	440,423
	<hr/>
Depreciation and impairment	
At 1 April 2018	254,185
Depreciation charged in the year	45,613
Eliminated in respect of disposals	(8,720)
	<hr/>
At 31 March 2019	291,078
	<hr/>
Carrying amount	
At 31 March 2019	149,345
	<hr/>
At 31 March 2018	176,267
	<hr/>

4 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	408,969	355,220
Other debtors	144,339	143,679
	<hr/>	<hr/>
	553,308	498,899
	<hr/>	<hr/>

5 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	223,715	274,563
Taxation and social security	151,896	176,152
Other creditors	244,985	220,955
	<hr/>	<hr/>
	620,596	671,670
	<hr/>	<hr/>

Creditors falling due within one year includes secured hire purchase debts of £17,156 (2018: £16,422).

ENVIRONMENTAL EQUIPMENT CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Other creditors	5,881	23,037

Creditors falling due after more than one year includes secured hire purchase debts of £5,881 (2018: £23,037).

7 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019	2018
	£	£
	380,000	427,500

8 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

The company leases the property at Richmond House, Churchfield Road, Walton on Thames, Surrey, KT12 2TP from Mr A E Gentle, a director and majority shareholder. Rents paid to Mr A E Gentle amounted to £47,500 (2018: £47,500) and were on an arms-length commercial basis.

ENVIRONMENTAL EQUIPMENT CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Directors' transactions

Directors' Advances, Credits and Guarantees

The following advances and credits to directors subsisted during the years ended 31 March 2019 and 31 March 2018:

	2019 £	2018 £
A E Gentle		
Balance outstanding at start of year	100,350	
Amounts advanced	12,000	100,350
Amounts repaid		
Amounts written off		
Amounts waived		
Balance outstanding at end of year	112,350	100,350
T Meed		
Balance outstanding at start of year	5,575	
Amounts advanced		5,575
Amounts repaid	5,575	
Amounts written off		
Amounts waived		
Balance outstanding at end of year	0	5,575
J Mudd		
Balance outstanding at start of year	5,575	
Amounts advanced		5,575
Amounts repaid	5,575	
Amounts written off		
Amounts waived		
Balance outstanding at end of year	0	5,575

Dividends totalling £242,222 (2018 - £312,389) were paid in the year in respect of shares held by the company's directors.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.